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Chairman: Mr. Olhaye ..... (Djibouti)

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The meeting was called to order at 10.25 a.m.

Organization of work (A/C.2/54/1; A/C.2/54/L.1 and A/C.2/54/L.1/Add.1/Rev.1)

1. **The Chairman** said that a change had been proposed in the programme of work (A/C.2/54/L.1). The International Monetary Fund having requested that the morning of 22 October be reserved for the United Nations panel on financial architecture, the Committee would complete its consideration of agenda item 105 in the afternoon. If he heard no objection, he would take it that the Committee approved that change.

2. *It was so decided.*

General debate

3. **Mr. Desai** (Under-Secretary-General for Economic and Social Affairs) said that he felt it important, as the century and millennium drew to a close, to review the state of global development. The movement of the world's economy over the previous two years revealed a very significant setback to development. Growth of global output had slowed to some 2 per cent and there was little hope of any substantial improvement in the near term. Developing countries had been worst affected by the slowdown: their growth had dropped by more than half, falling from 5 per cent in 1997 to under 2 per cent in 1998. The picture was even more alarming if India and China, where growth had been maintained, were not included: in 1997, 18 countries had experienced negative growth, but their number had risen to 40 in 1998. In terms of people, that meant that 1.2 billion people were living in developing countries with negative per capita growth, as against barely 140 million in 1996.

4. The numbers showed clearly that the deceleration in growth had hit the developing countries much harder than the rest of the world. That was borne out by the slowing in trade growth: world trade grew by 7.5 per cent in volume terms between 1991 and 1997 but by only 3 per cent in 1998-1999. For the first time since 1991, the dollar export earnings of the developing countries had declined, mainly because of very sharp drops in both oil and non-oil commodity prices. Commodity producing countries, including least developed countries, especially in Africa, had been the hardest hit. For the first time in the post-war period, primary commodities' share of world trade in terms of value had fallen below 20 per cent.

5. Regarding financial flows, net transfers out of developed countries had amounted to some 15 billion dollars. Several factors had been responsible. Firstly, there had been a welcome rise in official development assistance (ODA) and foreign direct investment (FDI) had declined less than might have been expected. Disturbingly, however, private lending other than FDI had fallen by half in 1998 by comparison with 1997 and significant resources had been devoted to debt servicing.

6. The figures he had given showed that while the world economic situation was, contrary to expectations, more stable than in 1998, the recent upheavals had been at the expense of the developing countries. The *World Economic and Social Survey* contained a number of scenarios of relevance in that regard. In particular, it looked at the problem of asset prices, which were exceptionally high and, therefore, due for correction. The Survey sought to assess how a correction in asset prices would affect: consumer and business confidence; monetary policy (through the tightening of credit and interest rates), and global GDP growth.

7. A second factor which needed to be taken into account was the global economy's dependence on the industrial countries, especially the United States of America. The fact that there had not been a recession was attributable principally to mildly inflationary growth in that country, a phenomenon that was in itself a risk factor. Demand needed to be more evenly spread among the developed countries, including Japan, where there were signs of a recovery.

8. It should not be thought that it would be enough at the present stage to fine-tune the global macroeconomic situation. A deeper issue must be tackled, that of how the global economy was managed. It was clear from the upheavals that the crisis had inflicted on developing countries over the past two years that the current economic system was prompt to protect the rich but very tardy in helping the poor. When the mechanism of multilateral cooperation had been put together 50 years previously, the aim had not been to create a welfare state for rich countries, but to secure full employment and avoid a recurrence of the harsh times endured in the 1930s. The rethinking now required should aim not merely at making the processes of integration and interdependence termed globalization less vulnerable to shocks, but also at making them more equitable and durable. It was not a matter either of calling in question the trends towards openness of the recent past, but of finding a middle path between autarchy and integration, between dirigisme and laissez-faire.

9. There were several issues to be tackled in that respect. First were matters relating to the macroeconomic management of the world economy: institution of more effective macroeconomic coordination and of improved

monitoring and surveillance of international financial flows, arrangements for quicker response to crises, and ending of a system where the private sector was too readily rescued from the risks attendant on its own imprudence.

10. Second, policy makers at the global and national levels alike must concern themselves as much with asset markets as with the market for goods and services and provide for corrective measures whenever asset prices rose unjustifiably. Third, financial policies must focus not just on problems of instability, but also on the impact that saving and investment could have on economies, or in other words on the role that finance could play in development, particularly through new institutions and instruments. Fourth, it must be recognized that despite the large growth in private sector flows and the trends towards privatization within countries, there was a continuing need for public resources for public purposes, both at the national level and at the global level. Systematic advocacy of fiscal contraction and calls for lower taxes and better public services had been features of recent years. It was time to recognize that there were certain public goals which could only be attained through public resources or, on the global scale, through official development assistance. The great increase in flows of private capital notwithstanding, non-market concessional flows must be maintained in order to reduce development disparities between countries, cope with global health and environmental problems and fulfil basic humanitarian needs.

11. Fifth, while globalization had been greatly facilitated by integration in financial markets, it was time to recognize that trade was the most potent engine of development and rapprochement between countries. History showed that prosperity was greatest during periods of high trade expansion. That was why issues of market access, of the effective implementation of the Uruguay Round and of continuing liberalization were so important. The Seattle Ministerial Conference of the World Trade Organization and the tenth session of the United Nations Conference on Trade and Development, to be held at Bangkok, should reassert the continuing need for differential treatment for developing countries and, because there was no one valid model of behaviour, the need for national autonomy.

12. Growth as such was less important than the quality of growth: hence the priority given to eradicating poverty. Some 25 per cent of the world's population was living on less than a dollar a day. Three billion workers were underemployed and 140 to 150 million were unemployed. It was clear that growth alone could not solve all problems, and that issues like work sharing and the imperative of sustainability must be addressed. Another area of concern was the formidable toll taken by natural disasters and phenomena such as El Niño in recent years, which gave rise to reflection on what aspects of the current development models might be tending to increase the vulnerability of countries to natural catastrophes.

13. Even as the specialized forums debated all the relevant technical issues, from finance to gender equality, from trade to human rights or the environment, it was essential to maintain a comprehensive view of the problems and unite the various components into one integrated approach. It was contradictory, for example, to assign top priority to poverty eradication while refusing to allow poor countries favourable trade terms, such as duty-free access to export markets for their products. The Second Committee, which had long been studying the question of globalization, was in the best position to emerge from its debates with guidelines for the future.

14. **Mr. Insanally** (Guyana), speaking on behalf of the Group of 77 and China, said that he agreed with Mr. Desai that the Committee, at its last session of the twentieth century, should reflect on the development experience of the past few decades and consider how the United Nations system might maintain and strengthen its capacity to promote development in a world undergoing rapid globalization.

15. In 1998 the world economy was in the throes of a financial crisis rife with uncertainty. Although the crisis had abated, it had left a disquieting aftermath of economic and social reverses. The modest progress achieved by the developing countries in recent years had been severely eroded. Three years into the United Nations Decade for the Eradication of Poverty, poverty and unemployment were rampant in the developing world. Although signs of recovery had been observed in some countries affected by the crisis, the implications for the future were not yet clear. It was important to analyse those developments and draw lessons from them for future policy making.

16. The varying impact of globalization had produced serious economic asymmetries at the global, regional and national levels. While it had obviously benefited the strongest economies, it had tended to marginalize weaker States and had thus hindered their pursuit of development. Many of the developing countries, particularly the least developed and smallest economies, faced grave difficulties in becoming integrated into the world economy. By opening the floodgates of trade and finance, globalization had exposed those countries to strong external forces. It had aggravated economic and social misery, particularly in developing countries dependent on a single agricultural crop for the livelihood of their peoples. The divide between rich

and poor both within and among countries had widened further, not only in economic terms but also in the areas of knowledge and technology, leading to an exponential rise in the inequities of the current system.

17. In the view of the Group of 77 and China, globalization was the single most important challenge facing the international community. If the process could not be harnessed to the service of all, it would ultimately be of benefit to none. Globalization should therefore be re-examined from four broad perspectives: democratization of international economic decision-making; integrated consideration of trade, finance and developmental issues by international institutions; reform of the international financial architecture; and effective action against the marginalization of developing countries.

18. Harnessing globalization to meet development objectives would undoubtedly require multilateral action. The response of the international community had thus far proved inadequate to the challenge. Despite the consensus reached on development during the major United Nations conferences in the 1990s, international cooperation for development had reached new lows in recent years, as reflected in an unprecedented drop in official development assistance (ODA). Faced with that situation, the President of the World Bank had called for a new development model as well as a new international financial architecture.

19. A new development model would certainly call for strengthening the productive capacity of developing countries and widening their access to export markets. The international financial and monetary system should be stabilized to avoid the hazards of monetary fluctuations. Equally important, the developing countries should benefit from special and differential treatment in accordance with the principles outlined in the General Agreement on Tariffs and Trade. In the wake of the Ministerial Meeting in Marrakesh, the Group of 77 would be urging the international community to take that approach at the forthcoming Ministerial Conference of the World Trade Organization (WTO) in Seattle in preparation for the tenth session of the United Nations Conference on Trade and Development in Bangkok in 2000.

20. In the critical area of development financing, the recent initiative taken by the Group of Eight would help to reduce the debt burden of the heavily indebted poor countries (HIPCs), and, if fully and rapidly implemented, would help to satisfy the health, education and other social needs of developing countries. The international community should follow the example of the Nordic countries in meeting internationally agreed ODA targets, in order to provide the resources so desperately needed by the poorest countries.

21. Given the enormous deficit in resources available for development, the financing for development process launched a year ago by the General Assembly had assumed critical importance. The Committee must decide upon the next steps to be taken. The report of the Ad Hoc Open-ended Working Group of the General Assembly on Financing for Development would provide a sound basis for future deliberations. A framework must be built to ensure the funding of development, one based on a new global partnership designed to respond first and foremost to the priorities of developing countries and premised on national ownership of the development process. It must also take into consideration the diverse issues that impinged on the development agenda. The Group of 77 and China would therefore continue to advocate a holistic approach to counteract the worst excesses of globalization.

22. He wished to stress the urgency of accelerating the comprehensive implementation of Agenda 21. The developed countries had an obligation under Agenda 21 to fulfill their commitments and halt the destruction of the environment. The developing countries, while fully committed to doing their part to protect the environment, needed to be supported in their efforts through the provision of new financial resources and the transfer of the appropriate technologies.

23. The Kyoto Protocol bound the parties to the United Nations Framework Convention on Climate Change to reduce their emission of greenhouse gases. The developed countries should take steps to that end and should also supply developing countries with the necessary financial resources and clean technologies to enable them to meet their obligations under the Convention.

24. On the United Nations Convention to Combat Desertification, he expressed concern at the inadequacy of international efforts. For lack of sufficient resources, the Global Mechanism was not yet functioning. The forthcoming third Conference of the Parties, to be held in Recife, Brazil, should remedy that situation.

25. The Group of 77 and China attached great importance to the full implementation of the provisions of the Convention on Biological Diversity and looked forward to the conclusion of the negotiations on a biosafety protocol, as well as the end of a round of negotiations at the final session of the Intergovernmental Forum on Forests to be held in February 2000. They called on the developed countries to meet their commitments, particularly those set out in chapters 33 and 34 of Agenda 21.

26. Looking ahead to the proposed 10-year review of the implementation of the outcome of the United Nations Conference on Environment and Development, he emphasized the need for preparations. The international community, as requested at the special "Rio+5" session, should take new steps to implement their commitments, particularly in areas such as the provision of concessionary financing and the transfer of environmentally sound technology. Preparations for the 10-year review should focus on identifying challenges and constraints, and on creating new mechanisms to remove them.

27. Knowledge and technology had acquired growing importance for economic and social development. The information age had brought progress, but also the threat of further economic and social disparities. The United Nations had to compensate for the deficiencies in that area if it was effectively to serve development in the next century, by encouraging the developing countries to develop their scientific and technological capacities, particularly in the area of environmentally sound technologies and emerging technologies. The work of the Economic and Social Council's Commission on Science and Technology for Development would have to be improved by a review of its working methods and by enhancing its ability to assist developing countries in that area.

28. In dealing with the myriad problems of development, the developing countries sought not only to engage their developed partners but also to strengthen cooperation among themselves. The potential for South-South cooperation should be fully exploited. In that context, the developing countries were meeting in Havana in April 2000 for the first ever South Summit, which would be an opportunity to launch an agenda to promote economic security and social welfare. To that end, the Summit would consider the themes of globalization and its impact on developing countries, knowledge and technology, South-South cooperation and North-South relations, and from those deliberations it would distill an action programme for economic and technical cooperation among developing countries at the turn of the century.

29. Any new action for development should include a stronger United Nations system, supported by political will and sufficient financial resources. To that end, closer cooperation and better coordination between the United Nations and multilateral trade and financial institutions would be useful. The United Nations had an essential role to play in international economic policy-making. To be truly effective, the leading international trade and financial organizations would have to take into account the policy guidance of the United Nations to ensure that their operations were in conformity with the development objectives of the developing countries. The high-level dialogues held in recent years between the Economic and Social Council and the Bretton Woods institutions were a step in the right direction. With further rapprochement, a greater consensus on development could be reached and a common agenda and strategy fashioned for the new era ahead.

30. **Mr.Kääriäinen** (Finland), speaking on behalf of the European Union, the associated countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia, and, in addition, Iceland, a member of the European Free Trade Association (EFTA) and of the European Economic Area (EEA), recalled that in 1998, the main element of the debates had been globalization and the worldwide economic and social impact of the financial crisis. Although the situation had improved since then, as reported in the *World Economic and Social Survey 1999*, the issue of globalization continued to remain high on the Committee's agenda.

31. Globalization should be beneficial to all countries and their peoples. That did not mean, however, that everything could be left to market forces. The negative social effects of globalization should be cushioned, and cooperation should be strengthened at the national, regional and international levels to seek solutions based on a broad understanding of the long-term social and economic interests of all partners and to help marginalized groups. Globalization had to be given a human face.

32. It was in their common interest to promote the stability of the global financial system and to strengthen the institutional capacities of all countries. That was why the *World Economic and Social Survey* emphasized that stable banking systems acted as a buffer against any national or international crisis. The strengthening of domestic banking systems could play a crucial role in mobilizing resources for investment and development and thereby improving the developing countries' prospects of better integration into the global financial system and enhancing the functioning of the latter.

33. The European Union stressed the importance of integrating the least developed countries into the world trading system. Accordingly, it had suggested that the developed countries and the more advanced developing countries should allow duty-free access for all products from the least developed countries by the end of the new round of trade negotiations, whose success would depend on the shared understanding of the relationship among sustainable development, liberalization and globalization. Initiatives

such as the establishment of an advisory centre on WTO law could significantly favour the integration of the developing countries, particularly the least developed, into the world trading system. Capacity-building was also vital for the developing countries, to help them analyse the forthcoming trade negotiations from a development perspective.

34. The Lomé Convention would expire in February 2000. The European Union was currently negotiating with the African, Caribbean and Pacific (ACP) countries a new convention that would be characterized by efficiency, transparency and solidarity, which would reduce and eradicate poverty and further integrate the developing countries into the international economy. To that end, it was following an integrated approach, linking all aspects of development (political, social, economic and environmental). It was aiming to help the partner countries with national, regional and international policies, programmes and projects.

35. The European Union was emphasizing the importance of a more comprehensive approach to poverty eradication, and of ownership by developing countries, as well as optimal partnership. Coordination of development cooperation had to be improved by making full use of the new coordination mechanisms such as the United Nations Development Assistance Framework and the Comprehensive Development Framework, in its pilot phase.

36. The European Union was committed to eradicating poverty that undermined sustainable development in the developing countries. Half of the world's population was living on US$ 2 or less per day, a problem compounded by social exclusion. National and international policies should therefore give priority to developing strategies and programmes to reduce poverty, which would strengthen human and institutional capacities. The European Union remained committed to the internationally agreed target of halving the number of persons living in extreme poverty by the year 2015. Special attention should be given to the poorest of the poor, especially women, and the goal of achieving gender equality in all areas.

37. The major development agenda that had been set in the global conferences of the 1990s was far from being realized. The principle of integrated and coordinated conference follow-up had been agreed. The view of the European Union was that, in considering the outcome of those conferences, the focus should be on implementation of the agreed action at the country level. The process of conference follow-up should not be an excuse for calling in question the targets set, and all stakeholders should work collectively to achieve them. A full discussion of that issue was required in the coming months.

38. The European Union was fully committed to the high-level discussion on financing for development in which all relevant partners, in particular the World Bank, should be involved. That process was expected to increase the political will to implement internationally agreed strategies and targets for sustainable development. Complementarity between various sources of financing for development and the role of domestic financing were important, but official development assistance (ODA) was indispensable for the least developed countries. Efforts should be further strengthened towards encouraging all donor countries to devote 0.7 per cent of GNP to ODA. While States had primary responsibility for their development, there was a need to foster a supportive international environment.

39. The European Union was concerned about the effects of unsustainable levels of debt on many developing countries, particularly the heavily indebted poor countries, and was participating fully in the multilateral debt initiative for such countries. The current initiative, however, had alleviated only a small part of the debt of a limited number of countries and she therefore welcomed the progress achieved at the recent annual meeting of the World Bank and IMF to achieve dramatic cuts in the debt burden of the heavily indebted developing countries, linking those cuts to poverty reduction strategies.

40. Another important agenda item was the implementation of the Programme of Action for the Least Developed Countries for the 1990s and preparations for the Third United Nations Conference on Least Developed Countries, which was to be hosted by the European Union in Brussels in 2001. The European Union was fully committed to working with the least developed countries and other partners to make the conference a success.

41. With respect to environment and sustainable development, the European Union remained committed to the Rio principles and Agenda 21. In the context of the follow-up to the Rio Conference, the European Union would like to see the work under the conventions better coordinated, including coordination with UNEP and would also welcome a more coordinated approach to resolutions in the Second Committee.

42. In accordance with the decision taken by the Economic and Social Council at its most recent substantive session, the successor arrangement of the International Decade for Natural Disaster Reduction would maintain the existing inter-agency secretariat function for natural disaster reduction as a distinct focal point and as a coordination

function under the direct authority of the Under-Secretary-General for Humanitarian Affairs; the new arrangement would encompass all dimensions of natural hazards and disasters. The European Union reiterated the importance it attached to the full implementation of that decision.

43. All too often, development efforts were undermined by armed conflicts. Important decisions had been taken the previous summer by the Economic and Social Council on strengthening the coordination of humanitarian assistance, and particularly on the transition from relief to rehabilitation, reconstruction and development. The European Union emphasized the importance of post-conflict peace-building so as to prevent any reversion to a state of crisis.

44. With respect to the organization of the work of the Committee, it was important to respect the deadlines for the submission of draft resolutions in order to avoid any accumulation of negotiation processes towards the end of the session. Extension of deadlines should be the exception. The resolutions adopted should be shorter, more focused, more current and fewer in number and should better explore the original contribution which the Second Committee could make to intergovernmental deliberations on a specific subject.

45. **Mr. Osei** (Ghana) associated his delegation with the statement made by the representative of Guyana on behalf on the Group of 77 and China and expressed the hope, as in the previous year, that the objective of poverty eradication would not be sacrificed, during the discussions, on the altar of economic ideologies and new theories of development and accounting.

46. The world economy was growing at its slowest rate since the early years of the decade and economic prospects in Latin America were particularly uncertain. In the least developed countries, the rate of economic growth for 1999 was projected to be 3.25 per cent, barely sufficient to raise per capita output and consequently living standards. Prices of primary commodities had fallen to their lowest levels in a century and a half. In more than 80 countries, per capita incomes were lower than they had been a decade or more earlier and inequality between and within countries continued to increase.

47. In Africa, where the situation remained dire, 44 per cent of the population still lived below the poverty line of $39 per person per month, while in sub-Saharan Africa the corresponding figure was 51 per cent of the population. Even though African policy makers had reiterated their commitment to mobilizing domestic resources and, to that end, had imposed austerity measures, economic management only marginally influenced factors such as commodity prices, market access, financial flows and the external debt burden.

48. The report of the ad hoc open-ended Working Group of the General Assembly on an Agenda for Development had pointed out that some developing countries had limited scope for increasing savings because of low per capita income and low consumption levels. Substantial external resources would be needed to complement their efforts to achieve development.

49. Furthermore, the international financial crisis which had affected South-East Asia had resulted in a further reduction in the volume of such external resources. In Africa, reduced private flows and bilateral credit had resulted in a decline in resource flows from $4.5 billion to $3 billion in 1997. In sub-Saharan African countries, net transfers had declined by nearly 40 per cent. The financial crisis had also led to a decline of about $14 billion in export revenues in 1998.

50. According to the Economic Commission for Africa, to reduce poverty in Africa by half by the year 2015 would require a 4 per cent reduction in the number of people living in poverty each year. In order to achieve that objective, Africa as a whole would need to achieve a GDP growth rate of 7 per cent per annum. In 1998, its GDP growth had been only 3.3 per cent, less than half what was required.

51. Since external resources were extremely important for development in Africa and elsewhere in the developing world, his country considered that the preparation for the conference on financing for development was crucial. He hoped that the industrial countries would see the event as an important means of adopting, once and for all, measures that would enable the developing countries to grow in a sustainable environment and in fair competition while attracting private sector investment and investors.

52. Official development assistance constituted a critical component of financial flows to many developing countries, particularly in Africa. If levels were increased in combination with stronger economic reforms in such countries, the result would be sustainability in growth, poverty reduction, macroeconomic stability and the eventual redirection of such assistance to humanitarian emergencies.

53. The current situation, in which nearly 10 per cent of already limited official development assistance resources got diverted to conflict relief, was unacceptable. Funding for relief should be additional to aid intended to eradicate poverty and induce growth.

54. Despite policy pronouncements by most countries favouring implementation of the objectives of the major

United Nations conferences and of the Organization's internal reforms, the capacity of United Nations funds and programmes was being diminished through lack of political will or through inaction in providing the resources required by those bodies.

55. Clearly, the resolution of the problem of the external debt burden on many developing countries, especially those covered by the Heavily Indebted Poor Countries Debt Initiative, was central to their growth prospects. The emerging global consensus on how to resolve the debt crisis was therefore welcome. His delegation reiterated the view of African leaders that Group of Seven donors should encourage the complete cancellation of the debts arising from bilateral aid for the poorest countries; that they should exercise their leadership by reducing all the other bilateral debt of the poorest countries by at least 90 per cent; and that debt relief for the poorest countries should not be provided at the expense of official development assistance for their development programmes. His delegation welcomed the decision announced by President Clinton at a meeting of the World Bank and the International Monetary Fund of a 100 per cent, rather than 90 per cent, cancellation of bilateral aid debts for the poorest countries.

56. His delegation was pleased that the Fund had finally accepted the proposal supported by his delegation and others to revalue its gold in order to generate resources for the Heavily Indebted Poor Countries Debt Initiative. The United Nations should ensure that the revaluation raised enough resources to provide deeper, broader and faster relief for the heavily indebted poor countries.

57. His delegation was convinced that the success of all the measures envisaged would be contingent on the restructuring of the international financial and monetary architecture to ensure a more stable and participatory system and the provision of coherent links between finance, trade and development. If developing countries had greater access to markets in the developed world and if developed countries removed their export subsidies, the developing countries would receive four to five times more in annual earnings than what they currently received in foreign capital inflows. The significant impact of sectors such as trade on the global economy, and the interaction of trade, financial flows and development, could therefore not be ignored.

58. His delegation believed that international financial organizations should go beyond promoting macroeconomic discipline, liberalization and a limited role for the State in institution-building. They should promote greater institutional convergence between developed and developing countries and assist the latter to establish the physical infrastructure necessary for their economic and social development, including by supporting social safety nets to protect the socially vulnerable and those marginalized by globalization and providing access to basic education, health and good drinking water. Such aspects of development must be insulated from conditionality.

59. The last session of the General Assembly before the new millennium should be the occasion for ensuring that the opportunities engendered by globalization would be to the benefit of all, so as to safeguard the values common to all countries and protect the planet against unrestrained exploitation.

60. **Ms. King** (United States of America) said that at the beginning of the 1990s the emerging phenomenon of globalization, with instant communication via the Internet, lower-cost air travel and the increased interconnectedness of people and ideas, had aroused great optimism.

61. Since then the United Nations had organized a series of global conferences on interrelated development issues. The conferences had established a framework for human centred development, recognizing the linkages between economic, social and environmental factors. Truly sustainable development was predicated on an understanding and integration of all three factors.

62. While many of the promises of globalization had been fulfilled, there had also been real economic and social costs involved in the transition to an interdependent world. Over the past few years the world had been buffeted by financial crisis. Rather than retreating into protectionism, however, the international community had decided to engage in a variety of partnerships. The world's reaction to the crisis had demonstrated once again that cooperation and partnerships were a natural outgrowth of globalization.

63. The United Nations had pioneered a new development approach focused on the interconnectedness of the economic, social and environmental aspects of development. That approach had subsequently taken root elsewhere. To reflect a shift in focus towards poverty alleviation, the International Monetary Fund had decided to rename its Enhanced Structural Adjustment Facility the growth and poverty reduction facility. The Fund was thereby demonstrating its awareness of the developmental effects of its programmes on developing countries. The World Bank, meanwhile, had adopted an integrated approach to development, with a particular focus on social issues. The Heavily Indebted Poor Countries Debt Initiative embodied that approach. In recognition of the crushing burden that external debt placed on developing nations and the resultant inability of those countries to attend to social and environmental issues, the

Initiative used debt relief as an instrument for resolving many of the social and developmental problems faced by such countries. Funds previously used for debt payments could be used for social and other core development spending. In that connection President Clinton had recently announced that the United States would make every effort to forgive 100 per cent of the poor countries' debts if the amounts owed were used to help finance the basic human needs of their people.

64. Yet, despite the progress made and the measures taken, much remained to be done. Creative methods must be found to address the new challenges facing the international community and the United Nations system in several key areas.

65. Financing was essential for development. The United Nations had undertaken a serious study of how to address the issue, which was crucial in a changing world. Her delegation was encouraged by the quality of the discussion already held on the issue and the high level of participation by countries with very different experiences and situations. It looked forward to working with its partners in taking the necessary procedural steps to move the process forward.

66. In the United States it was often said that business was the engine of growth and that maxim was increasingly true throughout the world. In discussing the topic of "business and development", the Committee must examine ways to encourage business practices which supported development goals while avoiding excessive or inappropriate regulations which would stifle the growth needed to create jobs and support economic and social development. The key tools which Governments had at their disposal were the strengthening of the rule of law, implementation of strict anti-corruption measures and strong labour standards.

67. As the host country for the upcoming Seattle Ministerial Meeting of the World Trade Organization in November 1999 and as one of the major trading countries in the world, the United States would take an active interest in discussions of trade issues in the General Assembly. Globalization was a fact, and it was essential that the developing countries should participate in the world trade system in order to avoid being marginalized. While there were costs to participation in the world trade system, the costs of marginalization were even greater. Over the next two months, her delegation would follow closely the development of the agenda for the Seattle Ministerial Meeting and would look for ways in which the United Nations Conference on Trade and Development (UNCTAD) could assist developing countries in preparing for the negotiations to follow.

68. In the field of operational activities, considerable progress had been made during the triennial policy review towards formalizing the view that human centred development included economic growth, social development and environmental protection. In 1999 her delegation looked forward to focusing on the development of human resources and the role of science and technology in development.

69. **Mr. Nimac** (Croatia) said that globalization could be negative for countries which were excluded from the process, thereby exposing them to the risk of falling even further behind. The question therefore arose of whether to adopt a laissez-faire approach or intervene in the process by creating a safety net. A deteriorating regional environment had affected the economies in transition in 1998 and most had experienced slower or even negative growth. It was important to promote more coherent international policies, and multilateral cooperation, in particular through the United Nations system, remained essential. The countries in transition must themselves meet the necessary conditions for their integration and for attracting foreign investment. Nevertheless it was clear that the disparities inherited from the past placed them at a disadvantage. The transition process had created new opportunities but had also caused a less even distribution of wealth and hence greater inequality. The economic repercussions of the Kosovo crisis had affected the neighbouring States in particular and had threatened progress in Croatia, especially in the areas of tourism and transport. His delegation welcomed the adoption of the Stability Pact for south-eastern Europe and intended to play an active role in its implementation, especially in the components related to economic reconstruction, stability being the main factor in sustained economic growth in the region.

70. On the subject of a new international financial architecture, he stressed the increasingly diverse structure of international capital flows, long-term loans to Governments having been replaced by short-term private borrowing. Recent crises had shown that liberalization was a two-way street, and some thought must be given to the benefits of using domestic measures such as capital controls to limit exposure to volatility. The multilateral trading system continued to develop, but Croatia, which had concluded all the necessary bilateral negotiations, was still stymied in its efforts to join the World Trade Organization owing to a dispute between two member States which had nothing to with its application. That artificial and arbitrary barrier, which also affected other countries, was a violation of the commitment to transparency and fairness contained in a ministerial communiqué on market access adopted in 1998 by the Economic and Social Council.

71. He welcomed the substantial work done by the ad hoc open-ended working group on financing for development but was concerned that there had been no increase in available resources for United Nations operational activities for development. He believed that the funds and programmes of the United Nations must be reinforced until poverty was eradicated. Foreign direct investment could not replace official development assistance because it had different motivations and objectives. Both were required for a balanced development process.

72. The recent special session of the General Assembly on the implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States had made an important contribution in refocusing attention on important issues which affected all countries. The commitments made in the Rio Declaration on Environment and Development must be strictly respected in order to bring about long-term results. The Secretary-General's visit to Sarajevo the following week to celebrate the birth of the planet's six billionth inhabitant would provide an opportunity for all to reflect on their responsibility to future generations.

73. **Mr. Escanero** (Mexico) noted that globalization of markets was intensifying but without any regard to equity. Hunger and poverty continued to afflict millions of victims even though resources worldwide should be sufficient for all. The main challenge in the twenty-first century would certainly be to guarantee coherent development efforts and achieve globalization with a human face. The international economic order must be perfectly compatible with the priorities of sustainable development and social justice worldwide and must strictly respect cultural diversity. It was incumbent on States to combat social exclusion, compensate for the limitations of the marketplace and encourage the efforts of the private sector and society while also taking into account the needs of the majority. At the same time those national efforts must be integrated into a new international cooperation system for development based on the concept of the shared responsibility of all nations. It was therefore necessary to establish an enabling world economic environment which relied on international financial stability and better access to the markets of the industrialized countries. The United Nations, in its capacity as the quintessential universal body, could and must play a leading role in that regard.

74. The two most important themes in international cooperation were the new financial architecture and measures to be taken in the case of natural catastrophes. With regard to the former, early warning capabilities must be improved in order to prevent financial crises from developing and spreading. A regional meeting had been held in September 1999 in Mexico City to discuss the theme of General Assembly resolution 53/172 entitled "The financial crisis and its impact on growth and development, especially in the developing countries". The participants had declared that the new financial architecture, to be built on the basis of consensus reached within the United Nations framework, must be stable and take into account social development. The high-level meeting to be held in 2001 under United Nations auspices with the Bretton Woods institutions would study financing for development. With regard to natural catastrophes, international cooperation must be involved from beginning to end: prevention, early warning, emergency aid, recovery and rebuilding. The participants in the Rio Group Summit held in May 1999 in Mexico City had undertaken to implement permanent technical cooperation projects on the regional level and an important cooperation programme with the European Union. The workload must be divided among the international community in a creative and effective way so that measures would not be adopted in isolation but would rather become an integrated strategy which would facilitate long-term solutions. His delegation was committed to aligning itself with any necessary consensus in order to guarantee sustainable development worldwide within a framework of social equity.

75. **Mr. Haque** (Pakistan), associating his delegation with the statement made by the representative of Guyana on behalf of the Group of 77 and China, said that the time had come to take stock of the goals of development and poverty eradication; it had to be recognized that most of the universally agreed targets had not been achieved. Over 4.5 billion people were living below the poverty line. The past decade had been characterized by an increasing concentration of income and wealth to the benefit of certain individuals, corporations and countries. The technological gap between developed and developing countries had further widened. Liberalization had not had the expected results, and the situation had worsened because of lack of market access: protectionism in the guise of social, environmental, and health and safety standards was on the rise. The total external debt of developing countries had increased by almost 6 per cent and only a comprehensive and durable solution of the debt problem would help release resources for development. Official development assistance (ODA) was declining, and the countries of the North had to recognize that it was in their long-term interest to increase ODA in order to promote the development of the countries of the South, following the rationale of the Marshall plan. The economies of the developing countries were being destroyed by imbalances in the international economic and

financial systems. The prospects were bleak: poverty and unemployment were on the rise and the goals of halving poverty and providing universal primary education by 2015 had no hope of being achieved.

76. There was a real crisis of development, as had been demonstrated very clearly by the recent Asian crisis, which had not only spared the industrialized countries, but also enabled them to profit even more from the collapse in commodity prices and imports from countries which had been forced to devalue their currencies and from a substantial improvement in the terms of trade. In contrast, significant parts of the developing world had seen the fruits of several decades of economic growth and poverty eradication efforts evaporate in a matter of weeks. That situation was brought about not only by defective national policies, but also by structural inability and volatility resulting from deep changes in the international system, in particular the new forces being unleashed by globalization. Notwithstanding the myth of globalization, borders had disappeared only for capital and high technology services; the same was not true for labour or for agricultural and textile products. The developing countries had been left out of the process because they did not have the necessary tools and had no hope of acquiring them in the near future. Increased interdependence was in fact an overdependence of developing countries on the markets of developed countries. The solution lay in a globalization of development, and Pakistan therefore proposed the consideration of the following issues: creation of an enabling international economic environment; reform of the global financial architecture; integrated consideration of trade, finance and developmental issues; a comprehensive and durable solution to the debt problem; and fulfilment by the developed countries of their commitment to provide 0.7 per cent of their GNP to ODA. The harmonization of national interests with collective interests should apply, in the first place, to the promotion of development, because global equity was the only assurance of shared peace and prosperity.

77. **Mr. Kolby** (Norway) said that a major challenge affecting most areas of development was how to alleviate poverty and reduce vulnerability. During the United Nations Decade for the Eradication of Poverty, 1.3 billion people continued to live in extreme poverty. The world's poor were also the most vulnerable to environmental degradation, natural disasters and disease. Poverty engendered underdevelopment. Fighting poverty must therefore become the highest priority.

78. Governments had primary responsibility for pursuing a policy that would bring about economic growth and meet social needs. In order to tackle the root causes of poverty, good governance was crucial, with an adequate legal framework, promotion of and respect for human rights, and the development of democratic and transparent institutions. Good governance also meant confronting corruption and pursuing sound macroeconomic policies. Governments must demonstrate political will by mobilizing domestic resources for development and, in particular, by allocating more resources to primary health care and basic education. The empowerment of women was crucial.

79. At the same time, the international community must do much more to provide an enabling international economic environment. It must continue to adjust and reform the multilateral trading system. There was a need to maintain, within the United Nations system, an appropriate mechanism for policy development which was able to meet the challenges of globalization. UNCTAD, for its part, had an important role to play as an advocate for taking into account the development dimension in future trade negotiations. The agenda set in the new round of multilateral trade negotiations in the World Trade Organization (WTO) must also take into account the interests of the poorest countries, for example in respect of conditions for market access, differential treatment, and trade-related assistance.

80. The economies of the poor countries were severely strained by debt, which blocked the access of those countries to new resources, creating an insecure climate for investments. A solution to those debt problems required committed international cooperation. Norway therefore strongly supported the decision taken recently in Washington, United States of America, to enhance the Heavily Indebted Poor Countries Initiative. Together with the other Nordic and the Baltic countries, among others, it had worked hard to safeguard concessional windows in multilateral banking and financial institutions such as the International Development Association (IDA). It was prepared to forgive 100 per cent of its commercial claims to HIPC countries and encouraged all creditor countries to seek ways of giving the HIPC countries a new start at the turn of the millennium. It was also necessary to increase transfers of ODA from the North to the South to reach the target of 0.7 per cent set by the United Nations. Norway had been well above that target for the past two decades and his Government had recently proposed a concrete plan for a gradual increase in ODA to 1 per cent of GDP. It expected other OECD partners to follow suit.

81. A global consensus on an agenda for social and economic development had been built during the 1990s. The United Nations had been the key facilitator in that process and in the implementation and coordination of the agenda.

During 1999 the international community had reviewed the progress achieved in implementing the Programme of Action at the International Conference on Population and Development. Although the review had confirmed that substantial progress had been made, it had also shown that progress was being hampered by a lack of financial resources and that swifter action was needed in many areas.

82. The review of the Beijing Platform for Action and the follow-up to the World Summit for Social Development would further strengthen the commitment of the international community to promote gender equality and increase investments in the social sector, in line with the 20:20 compact. The coordination segment of the Economic and Social Council substantive session of 2000 would provide an opportunity to review in an integrated manner the follow-up to the United Nations global conferences.

83. Natural disasters seemed increasingly to be the result of pressure exerted by human beings on the environment and the failure to achieve sustainable development. Once again, it was the poor who suffered the greatest losses. The special session of the General Assembly on the review and appraisal of the Programme of Action for the Sustainable Development of Small Island Developing States had demonstrated the willingness and ability of those States to translate the decisions of the United Nations Conference on Environment and Development into concrete actions in their national and regional contexts. It had also demonstrated the need to enhance international partnerships as well as cooperation between all partners. His country would continue to provide support for the efforts made in that connection.

84. In order to reduce vulnerability to natural disasters permanently, humanitarian and development-oriented efforts must go hand in hand. It was essential to deal with the underlying causes of poverty and humanitarian need rather than simply alleviate the symptoms. The provision of humanitarian aid should be parallelled by efforts to seek political solutions and economic reforms, a challenge which called for closer coordination between all the actors involved. The United Nations would continue to play a key role in those endeavours.

85. **Mr. Tudela** (Peru) said that during the 1990s his country had implemented an effective economic programme, which had enabled it to become a major Power in Latin America and to prepare to meet the development and globalization challenges of the new millennium successfully. Peru had succeeded in stabilizing its economy and living in harmony with its neighbouring countries, which was important for its integration into the global economy. Between 1993 and 1998, it had registered an annual growth rate of 6.2 per cent, eliminated the hyper-inflation of the 1980s and increased its international currency reserves. During the same period direct foreign investment had increased to over $13 billion, 37 per cent of which had come from the programme for the privatization of public enterprises. That success was due not only to the country's perseverance, but also to the adoption of a new economic culture, namely that of a market economy based primarily on private investment. Social welfare and education were Peru's main priorities. During the 1990s, public investment in the social sector had risen to $8 billion, while social programmes aimed at poverty reduction had received $3 billion, making it possible to bring the extreme poverty rate down from 27 per cent in 1991 to 14 per cent in 1997; it was projected to reach 11 per cent by the year 2000. In 1999, 45 per cent of the State budget had been allocated for social spending.

86. Peru believed that investments in the individual, in education and in health were the best means of achieving sustainable growth and overall development. During the 1990s, the life expectancy of Peruvians had risen from 63 to 68 years. Moreover, with support from the World bank, priority had been given to programmes aimed at improving the quality of education.

87. As a result of the economic progress it had achieved during the 1990s, not to mention its healthy budget, the viability of its external deficit and the significant increase in private investment, Peru had managed to cope with the international upheavals which had affected the region's economy: the effects of El Niño and the crises in Asia, the Russian Federation and, more recently, Brazil.

88. According to the Inter-American Development Bank, Peru was the leading country in Latin America in terms of structural reforms; it was experiencing sustained growth and its exports were increasing at a rate which was higher than the average recorded by the other countries of the region. Moreover, its public debt was one of the smallest in the region. Peru had set itself the clear objective of economic stability and sustainable growth. To that end, it had concluded a third Extended Fund Facility agreement with the International Monetary Fund for a period of three years. The efforts made to improve trade, services and investments at the subregional, regional and international levels, together with Peru's recent membership of the Asia-Pacific Economic Cooperation Council, bore testimony to the country's willingness to integrate itself into the global economy.

89. In the absence of any magic formulas in the economic field, Peru had decided to give priority to free trade and

education. It also believed that private enterprises provided the impetus for wealth creation. The role of the State was to create the conditions needed to develop investment, maintain macroeconomic balance in the context of an open and competitive market economy, control inflation and budget spending and pursue a cautious monetary policy.

90. The launching of a new round of negotiations in 2000 was a means of strengthening the multilateral trade system. His Government accorded the highest priority to the Uruguay Round agreements; the completion of negotiations to strengthen liberalization in the agricultural and service sectors and the implementation of decisions on investments, competition and trade facilitation set out in the Singapore Ministerial Declaration of 1996; and the application of the Geneva Ministerial Declaration on electronic commerce. In its view, an item on development should be included in the agenda of the new round of negotiations.

91. His Government also attached considerable importance to its cooperation with the various bodies and funds of the United Nations system. The United Nations Development Programme (UNDP) played a crucial role in the promotion of sustainable human development and in the eradication of poverty, especially in developing countries. He called on the UNDP member States to increase their contributions and to seek new forms of cooperation with developing countries. Given the importance of cooperation among developing countries, his delegation commended the efforts undertaken by the Special Unit for Technical Cooperation among Developing Countries and reaffirmed the usefulness of horizontal cooperation. It thanked those countries — and especially Japan — which had offered assistance within the framework of the triangular cooperation system to the countries in greatest need.

92. His Government was troubled by the financial crises that had emerged in recent years, in view of their considerable impact on the international system, and it urged the establishment of a stable monetary system at the regional level. Given the complex, cyclical and systematic nature of international phenomena, international cooperation mechanisms should be reassessed with a view to adopting preventive measures and finding solutions to problems that transcended national capacities.

93. **Mr. Satoh** (Japan) said, with regard to human security, that in the current age of globalization, it was increasingly important to consider policy in terms not only of national interests but of the interests of all human beings. "Human security" meant ensuring the security and survival of human beings as individuals and protecting their dignity. He endorsed the definition given by UNDP in the *Human Development Report 1994*, namely, that the concept of human security meant that individuals could exercise choice safely and freely and could be fairly confident that the opportunities they had today would not be lost tomorrow. Defining the term was less important than drawing increased international attention to the threats to human lives and human dignity. Those threats were manifold. They included most of the problems currently facing the world, among them poverty, armed conflicts, environmental degradation, forced displacement of populations, landmines, small arms, terrorism, organized crime, infectious diseases, drugs and natural disasters. With regard to classification, his Government's views were very close to those of UNDP, which had set out seven main categories of threat to human security: economic, food, health, environmental, personal, community and political. And yet, it was not all that useful to inventory threats to human security since the list was continually changing. Moreover, as the recent financial crisis in South-East Asia had shown, economic, social and, of course, political conditions could suddenly deteriorate at a time when they seemed promising. It was also evident that such perceptions varied from country to country and region to region. For instance, the spread of poverty and the resurgence of armed conflicts were the principal concerns of many African countries. Climate change was the principal cause of concern for small island States, whereas landmines posed threats to all countries engaged in post-conflict reconstruction. Illegal drugs and HIV/AIDS were a universal threat.

94. Policies devised to enhance human security also varied greatly. Official development assistance (ODA) and other forms of technical and financial assistance for development played an important role in that context. In the view of his delegation, raising the level of health care, hygiene, education and job training was crucial for the enhancement of human security. Needless to say, humanitarian assistance and peace-building and peacekeeping efforts were also essential. Although policies must be chosen on the basis of need, priority should be given to human security requirements.

95. The Committee could play an important role in advocating the enhancement of human security. Indeed, many issues on the Committee's agenda had a great impact on human security in the countries concerned, including development financing, the cancellation of external debt, and the development of Africa.

96. With regard to development financing, it was important to view development cooperation in a comprehensive manner and to determine how to combine domestic resources and private sector involvement for the

purpose of mobilizing and better utilizing development resources.

97. External indebtedness, especially of the least developed countries, demanded more urgent attention. It was for that reason that Japan had called for faster and deeper measures for Heavily Indebted Poor Countries (HIPCs) and welcomed the enhancement of the HIPC initiative. Japan had contributed over $70 million to the trust funds of the International Monetary Fund and the World bank for that purpose. On the bilateral front, it had long provided grants for debt relief and had thereby cancelled bilateral ODA debts in the amount of approximately $3 million. Japan would extend debt relief measures to HIPCs under the enhanced initiative.

98. In many aspects of development Africa clearly continued to require special attention. If the World Social Summit's target of halving absolute poverty by 2015 was to be attained, GDP must rise by at least 7 per cent a year, which was far above many African countries' growth rates. The international community must therefore redouble its efforts for African development. The Tokyo Agenda for Action adopted at the Second Tokyo International Conference on African Development, which Japan had organized together with the United Nations, encouraged African countries to take initiatives for their own development and called for strengthened cooperation, including between Asia and Africa. Japan was involved in a number of interregional projects under the Agenda.

99. From the viewpoint of human security, the geographically disadvantaged developing countries also required special attention. Japan therefore welcomed the holding of the General Assembly's special session devoted to such countries and of the intergovernmental meeting of experts on cooperation among landlocked developing countries, transit countries and donor countries. In that context, it was important to note that the current year was the last of the International Decade for Natural Disaster Reduction. As tragically demonstrated by the recent earthquakes and hurricanes, the international community was far from fully prepared for such major natural disasters. It must intensify its efforts to minimize the suffering caused by such catastrophes. Japan intended to contribute actively to that endeavour.

100. Humanitarian emergencies, such as mass killings and forced displacement of people, tended to attract more of the international community's attention than issues like poverty and climate change which had a debilitating impact on human security. While it was essential to act rapidly in humanitarian emergencies, it was equally important to make unceasing efforts to improve the conditions that affected human security.

101. **Mr. Sharma** (India) said, in reviewing the world economic situation, that in the late 1980s and early 1990s globalization, liberalization and rapid technological change had seemingly held out to humanity the promise of historic change, a promise of fresh opportunities, as the developing countries increasingly participated in the growth of the world economy, to improve living standards and secure a brighter future for millions mired in poverty and underdevelopment. The global economic reality in 1999 was, however, far different. Tangible progress had unquestionably been made in the late 1980s and early 1990s, in the form of impressive growth rates in some developing countries and very strong growth in trade, global output and capital flows. But, while globalization had opened up new opportunities in the areas of trade, technology, investment and telecommunications for those who had been best equipped to take advantage of them, the recurrence of financial crises and instability had led not only to the rollback of development and prosperity, but also to questioning of the very foundations of globalization. Ironically, those crises had affected precisely those developing countries which had been held up as showcases of globalization. Industrial economies had not only been spared, but had even benefited from falling commodity prices, capital flight and cheap imports. Although the *World Economic and Social Survey* and the *Trade and Development Report* pointed to some signs of recovery during the current year, the second of those documents cautioned that the return to stability should not be misinterpreted or allowed to make the underlying structural problems that needed to be addressed if globalization was to be responsive to the needs of the vast majority of developing countries.

102. His delegation believed that the Committee should focus during the current session on four areas: trade, financial flows and financing for development, science and technology, and the environment. Concerning the first of them, there was a need to take a more critical look at the functioning of the international trading system. India acknowledged the benefits of the Uruguay Round, particularly the establishment of a rule-based multilateral trading system, but it was troubled that the agreements which had been reached had not been implemented in the spirit in which they had been envisaged and that the patterns of liberalization which had emerged from the operation of the system had not accelerated developing countries' development. Those shortcomings were clear from the differential treatment of products and sectors of interest to the developing countries, particularly agriculture, textiles, and the movement of persons. There was an asymmetry

between the advanced state of liberalization of trade in goods and services, sectors which were of interest to the developing countries, and the barriers to trade in labour services and the labour-intensive goods typically produced by developing countries.

103. The rapid growth of capital markets and financial liberalization was the other key pillar of globalization which had been projected as providing a definitive solution to the resources constraint that developing countries had traditionally faced. The predicted benefits, however, had not materialized. The concentration of capital flows in particular countries or a few sectors, the volatility of short-term capital flows and the far-reaching consequences of that phenomenon, the discrepancy between the technology used by the financial world and the existing regulatory arrangements, to mention only a few examples, showed that reform of the international financial system was essential. The current discussions concerning a possible new trade round and the reform of the international financial architecture in the Bretton Woods institutions afforded the Committee a unique opportunity to address the challenges posed by globalization.

104. The report of the working group on financing for development would be among the most crucial issues before the Committee at the present session. Its mandate was to draft recommendations on a high-level intergovernmental forum on financing for development to be held in 2001. The Group had made recommendations for a detailed agenda covering the various aspects of financing for development, as well as recommendations on preparation for the meeting and the meeting itself. The Committee should focus in the months ahead on the preparatory process, including modalities of participation that would ensure comprehensive treatment of the issues involved and result in a summit or conference.

105. With regard to science and technology, it was vital to utilize the new discoveries in those fields to meet the pressing needs of the developing countries. It was, indeed, scandalous that that had not yet been done. Numerous economists had shown what specific steps could be taken to reconcile the supply and demand aspects of the search for profit. The Committee should take a closer look at that matter.

106. At its fifty-third session, the General Assembly had, for the first time, adopted a resolution on globalization and interdependence; that had led to the inclusion in the Committee's agenda of an item specifically devoted to that issue. He hoped that would initiate a debate and assessment within the United Nations concerning the various macroeconomic aspects of globalization, particularly its impact on developing countries. Summing up his statement, the full text of which had been circulated to delegations, he drew attention to the priorities regarding globalization and the environment to which it referred.

107. On the threshold of a new millennium, the United Nations in general and the Committee in particular must focus on pushing forward developmental concerns. Only in that way could the United Nations retain its relevance and credibility for the vast majority of mankind.

The meeting rose at 1.15 p.m.